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1961

# Rural Lines

RURAL ELECTRIFICATION ADMINISTRATION

U. S. DEPARTMENT OF AGRICULTURE



## THE NEW RURAL COMMUNITY

and how REA borrowers serve

its

**Schools  
Hospitals  
Churches  
Recreation Centers  
Water Systems  
Airports  
Libraries  
Fire Departments**

## 21 Questions about RAD



Growth Through Agricultural Progress



## *A Message from the* **ADMINISTRATOR**

In his search for a new home the average American usually looks beyond the house itself to the community in which it is located. Most of us want the best "neighborhood" we can afford—and neighborhood includes such things as schools, churches, good roads, health facilities and basic utilities.

These factors are no less important to new industry. For this reason **RURAL LINES** presents in this issue several accounts of how rural people have worked together to create facilities and services vital to Rural Areas Development.

We are proud of the part our electric and telephone borrowers have had in promoting, supporting, and serving these fine institutions. These stand as tributes to the men and women who worked and sacrificed to obtain facilities to serve their home communities.

These examples remind us that our rural electric cooperatives are just as much the creations of the local people they serve and to whom they belong. They are valuable assets to their communities and they must be made secure against those who would use any pretext to take over lines and consumers located close to expanding towns or cities. The rural electric systems also must be able to get the power they need at low cost and without restriction on the size or kinds of loads they can serve. Only in this way can they help their communities grow and prosper.

  
Administrator

**Rural Lines**

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## The New Rural Community

The early symbol of the REA program was the light in the farmhouse. Today it might just as well be the light in the hospital, the range in the schoolhouse, or the telephone in the firehouse. This is another way of saying that rural electrification and telephony have had an impact on rural community life quite as significant as their impact on the lives of individuals in the home and on the farm.

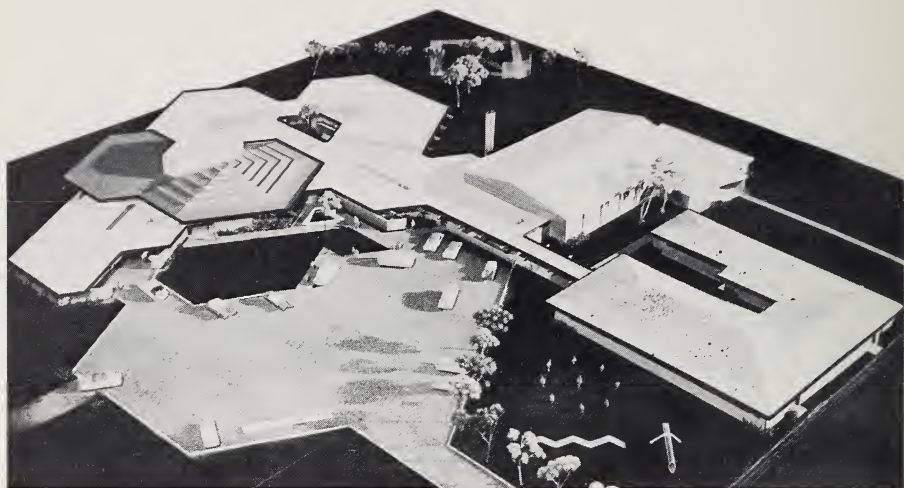
The new rural community, with its consolidated school, its housing developments, its fire station and water system, its library and playground, is looming larger in importance these days, as REA borrowers begin work on local Rural Areas Development programs to help create more jobs at home. One rural community after another is discovering that adequate public services and facilities are a requisite to the development of new enterprise—industries, business firms, processing plants. Modern industry needs water. It wants to make sure there is adequate housing for employees and good

schools for employees' children. It will not be satisfied with a fire department 40 miles away and, in case of injury to a worker, it will not agree to transport him 60 miles over back roads to the nearest hospital.

REA borrowers already are making it possible to build community facilities in rural areas. With the cooperation of REA and other agencies concerned with Rural Areas Development, which will help borrowers both with planning and financing questions, electric and telephone people are in a position today to make an even greater contribution to the development of their communities.

This issue of RURAL LINES offers a cross section view of the ways in which rural electrification and telephony now are helping to build the new rural community. It also should suggest to borrowers the course of the future of public facilities in rural America. For make no mistake, new industry will not take hold and thrive in second- or third-class communities.

# GOODBYE . . . to the Little Red Schoolhouse



*A far cry from the one-room rural schoolhouses of two generations ago is this model for an all-electric Junior-Senior high school in Limon, Colorado.*

That subject of so much affectionate poetry, "the little red schoolhouse," is all but extinct today, and educators say good riddance.

Today's more expensive (and more effective) consolidated school is taking over, and electricity is helping with the teaching job.

In the days before REA, children attending the one-room schoolhouse crowded next to the windows on dark wintry days so that they could see their textbooks. At recess, they went outdoors to get a drink of water from a common dipper—a dipper that often turned a single case of influenza into an epidemic. Even on subzero days, they had to leave the building to use an old-fashioned privy.

All too often, in the age of kerosene lamps, schools caught fire. If the community was lucky, the fire occurred at night or during vacation, when no children were attending classes.

Such a fire recently helped the citizens of Fairbury, Nebraska, to decide on electric heating for their new school building. Fortunately, the blaze, caused by faulty heating equipment, occurred during Christmas vacation, but the total destruction of decorations for a Christmas party gave parents a grim vision of what might have happened had the fire broken out a few days later. When they rebuilt the school, the School Board selected electric panel heating.

It has been said that three subjects that will always start an argument among Americans are religion, politics, and education, and without doubt, plenty of people see red the minute that so-called "progressive" education is mentioned. But not all the recent progress in education is subject to debate.

Rural children, for example, now have enough light to read their books.

Last season, the people around Acton, Montana, opened a new 2-classroom brick schoolhouse for the community's 19 students in 8 grades. Lighting meets the recommendations of the Illuminating Engineering Society, with 3 banks of 7 fluorescent fixtures providing 100 foot-candles of light in each classroom. Few people today would question that this is "progressive" education.

Or consider the training tools now available in the modern rural schoolhouse. Home economics students can learn to cook on electric ranges; learn to sew on electric sewing machines. In the shop, the boys learn to handle electric arc welders and master the use of electrically-powered lathes and drill presses. Electricity means modern physics and chemistry laboratories—and these in turn mean that rural students can compete with city-trained students for entrance into the best universities and engineering schools. Elec-

*Gleaming all-electric kitchen is a feature of the new school at Parker, Pa.*



*Principal Ray Lowry checks timeclock control that regulates electric heat at consolidated rural Illinois school.*

tric power even lights the field of vision under microscopes in biology classes.

In every type of classroom, slide presentations and motion pictures aid the teacher in imparting knowledge to students. Radio and television bring highly paid instructors into every rural class. Opera and the symphony orchestra, once the private property of a few city people, now are an old story in every country home or schoolhouse with the price of a TV set or radio.

Even the cold school lunch is a thing of the past. The new Break-O-Day School, at Whiteland, Indiana, on the lines of the Johnson County Rural Electric Membership Corporation, is an excellent example. School personnel can prepare lunches for more than 500 students in an all-electric kitchen, containing ranges, steam tables, dishwasher, and recessed fluorescent lighting. The schoolhouse also includes electric water heaters, an intercom sys-



tem, and electric heat. The co-op gives the school its special heating rate for schools, churches, and public buildings.

Most modern rural schools which have selected electric heating cite the same reasons given by the Acton, Montana, School Board, when it made its decision. After receiving the bid of the Yellowstone Valley Electric Cooperative, the Acton board said that electric heat was (1) reasonable in cost; (2) safe and healthy; and (3) kept maintenance costs to zero.

Still other reasons were cited by Principal Ray Lowry, of the new, electrically heated Shewmaker-Sparks Hill Grade School, in Harding County, Illinois. Lowry pointed out that his school so far uses only four of its six classrooms, and that it is not necessary to heat the rooms not in use. Furthermore, he said, electric heat does not require a furnace room, and this space was converted into a shower room. He also cited the cleanliness of electric heat.

Lowry's school is served by South-eastern Illinois Electric Cooperative,

at Eldorado. The co-op suggested installation of electric baseboard heaters along the walls of each classroom. Four electric fan-type heaters suspended from the ceiling serve the combination gym-auditorium-cafeteria. So far, this new school, which replaces 9 1-room schoolhouses in the surrounding area, has 99 students. However, it can accommodate 180 children and Lowry expects it to consolidate with another school district next year.

In northwestern Pennsylvania, William C. McKinley, manager of Central Electric Cooperative, believes that there is a clear trend toward more all-electric schools. The first such school on his lines opened this fall. "People are realizing more and more what electricity can do for them," says McKinley, "and they are depending on us to give them complete service. We're going to see a lot more electric schools in the years ahead."

There's no doubt about it. The little red schoolhouse is disappearing fast—and nobody, with the possible exception of a few sentimental verse writers—is going to miss it at all.

*Adequate classroom lighting is essential to good teaching and easier learning. The new Break-O-Day school in Indiana features recessed fluorescent lighting.*





# HOSPITALS IN THE COUNTRY



*More than 1,200 residents of the Sundance, Wyoming, area attended the dedication ceremony and toured the recently opened all-electric Crook County Hospital.*

Another vanishing American scene is the country doctor, performing emergency surgery on the kitchen table with the assistance of a couple of nervous farmhands. Today's country doctor is more likely to be a partner in a modern rural clinic or a member of the staff of a smalltown hospital. Rural electrification and modern telephone service have made it all possible.

Some large modern hospitals average as many as 2,500 telephone calls a day. Electric power is used for practically every medical function—for operating-room lights, for X-rays, for laboratory equipment, in diagnostic and therapeutic procedures, for incubators in the nursery, and even to raise and lower patients' beds.

Near Kingfisher, Oklahoma, the Pioneer Telephone Cooperative recently installed key telephone systems in two hospitals it serves. One, the Thomas Memorial Hospital, was built a decade ago and recently expanded. As it grew, and telephone service became

inadequate, a modern key system was installed, with inside and outside lines, buttons to hold calls, and intercommunications between departments. The other, Mooreland Municipal Hospital, installed the same type of service on a larger scale.

Many hospitals served by REA borrowers are all-electric. Tri-County Electric Association of Sundance, Wyoming, actively promoted electric heating for a proposed new hospital in its service area, after bids on other types of heating were many thousands of dollars above available funds. Tri-County personnel made exhaustive comparative studies, and proved that the savings on electric heating could equal 20 to 25 years of "free" heat. First, the hospital would cost \$50,000 less to build, and the annual saving in interest would just about pay for the total heating cost. Second, it could eliminate wages for a heating plant operator. Third, it would experience savings in cleaning and redecorating



*Telephone inter-communications systems save many steps for hospital personnel. Mrs. Buford Albright makes a call at Mooreland Hospital.*

costs, since electric heat is so clean. After seeing the figures, the citizens of Sundance bought the idea, and the new Crook County Memorial Hospital was built according to Tri-County's recommendations.

Three doctors in Syracuse, Nebraska, had another reason for choosing electric heat for their new clinic. During the day each of the clinic's 22 rooms is heated individually to suit the occupant. At closing time, two master thermostats take over, allowing the temperature to drop to 50°, where it stays until 5 a.m. Then the master thermostats cut off, and the individual room thermostats again take over, bringing the room temperature back up to the occupant-preferred level. Further, the automatic timing device works on a 7-day cycle, so the building stays at the 50° temperature all day Sunday. A bypass switch in each room, however, allows any single room

to be heated for emergency use on weekends or during the evening.

The clinic receives electric power from the city of Syracuse, supplied by the Eastern Nebraska Public Power District, which helped plan and design the heating.

At Chicora, Pennsylvania, the McGinley Convalescent Home relies on power supplied by the Central Electric Cooperative, Inc. Home Director Edith McGinley could not have built her institution in the country without reliable electric service, since she relies on electric massage units to alleviate and eliminate certain muscular and nervous disorders in her patients.

Modern clinics, hospitals, and rest homes are proving an important factor in attracting new enterprise to rural areas, since small factories and processing plants cannot, in most cases, afford to construct clinics of their own to treat their employees.





*Flood lamps hung from the high-beamed ceiling light the dining hall at Camp Calvin, near Jackson, Georgia. The room seats 400 and adjoins all-electric kitchen.*

## RAD AND RECREATION

In line with the President's policies to promote physical fitness, preserve the natural resources of the country, and provide adequate recreation for all people, RAD is prepared to show the way to communities that wish to build recreational facilities or to expand or improve existing ones. RAD will help REA borrowers or other rural groups to determine feasibility of projects and to find sources of credit for carrying them out. It also will provide technical advice and management assistance.

A specific example of how this can be done is indicated by a project now underway. In an area served by both an electric and a telephone borrower, a dam built for flood control and hydroelectric power provided a site for recreational facilities. Up until now, this area has not been fully developed. The managers of the REA electric and telephone co-ops have been spearheading a movement for economic growth in their community,

which includes a study of the recreational potential of the dam area. This includes determination of available credit for such facilities as new motels, cabins, improved roads, youth camps, marine facilities, filling stations, ball park, golf course, fair grounds, and the manufacture of small boats. When completed, this area, which was considered uninviting to industrial development, will offer residents new sources of income. The REA borrowers will benefit through increased power use for both commercial and residential establishments, and the need for more telephones.

Many REA borrowers, however, have already helped build and are participating in and serving all types of sports and recreational facilities. Camps, for example, have become important loads for many co-ops, as they have progressed from leaky tents and open fire cookery to warm, well-lighted dormitories and all-electric kitchens.

The last word in camp kitchens is





*Golfer tees off at Green Hills Golf and Country Club served by Fairfield Co-op.*

the pride of Camp Calvin, served by Central Georgia Electric Membership Corporation, at Jackson. This gleaming all-electric kitchen includes the most modern equipment, from an electric potato peeler to giant mixers that can mash enough potatoes to serve 200 people at one time. Camp Calvin, one of the most modern camps of its kind, features an L-shaped swimming pool, holding 155,000 gallons of water, which are purified every 12 hours through an automatic electric filtering and chlorinating system run by a 5 hp motor. A submersible pump delivers all the water for the camp's needs (including the pool) from a deep well, and electric pumps move it to a gravity storage tank. The camp has electromode wall heaters in the



*Boating is popular at Legionville, only school safety patrol camp in the U.S.*

retreat lodge, reflector flood lamps in the dining room, and flood lights for outdoor lighting.

Fairfield Electric Cooperative at Winnsboro, South Carolina also serves a camp with an all-electric kitchen. Camp Longridge converted an old schoolhouse into a modern kitchen and dining hall. The co-op supplies the camp with dependable, low-cost electric power.

In many cases, REA borrowers do much more than just supply electric service for recreation facilities. For example, in Louisiana, Beauregard Electric Cooperative, Incorporated, provided free labor to install field lights for 10 athletic fields and a recreation center served by its system. Dunn County Electric Cooperative, in

Dunn County, Wisconsin, made available used poles and helped to set them for the Little Elk Creek 4-H Club baseball diamond. Further, Carleton Cooperative Power Association supplied used wire for the project.

In recent years, bowling has swept the country as a family sport. The Tower Lanes, on the lines of Pioneer Rural Electric Cooperative, at Ulysses, Kansas, is an excellent example of a completely modern bowling alley with adequate lighting, air conditioning, and automatic pin-setters. In July, it used a peak kwh of 13,630, and has averaged about 7,000 kwh monthly since it opened for business.

A number of REA borrowers serve golf and country clubs. For example, the Fairfield Electric Cooperative in South Carolina provides electric heating, lighting, and power for the all-electric snack bar at Green Hills Golf and Country Club. Green Hills, whose membership includes 30 members under 15 years of age—indicating the

growing interest of young people in golf—was formerly a dairy farm.

Willow Lake Country Club in western Pennsylvania, also evolved from a farm. In fact, the handsome club headquarters building was once a dairy barn. The club has an 18-hole golf course and a swimming pool, and is served by Central Electric Cooperative of Parker.

Other REA borrowers are serving fair grounds, sports arenas, State and National parks, and many other recreation facilities. All of these are vital to promoting the general welfare of local people, but they are more than that. In many cases, they boost the local economy by attracting tourist dollars. This could be a “best bet” for rural development in areas where scenic beauty is already a major asset. Superior recreational facilities may also prove a strong attraction for industries looking for new locations. In addition, retired people with money to spend are drawn to well-developed recreation centers.

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*The new headquarters building of the Northwestern Rural Electric Cooperative Association, Inc., was dedicated at the annual meeting held on August 5th. The modern brick and steel structure houses over 20,000 square feet of space, including a fully-equipped demonstration room big enough for community banquets.*







*A good library is important to industrial training programs as well as to the public. The Sho-Me Power Corporation recently completed a lighting program at the Carnegie Library of Marshfield, Missouri. Sho-Me rewired the entire library and installed twelve fluorescent fixtures with prismatic lenses.*

*Good transportation facilities enhance rural development potential. Lyon County Electric Cooperative serves a 654-acre airport at Emporia, Kansas, supplying an average of 75,000 kwh of electricity annually for its administration building, CAA weather station, repair shop, and runway lighting.*







*The new Schuylers County Courthouse, served by Tri-County Electric Cooperative, shows how modern construction can fit a traditional setting. Outside, all is colonial; electric service was even run underground to preserve the colonial look. Inside, however, fluorescent lights, pushbutton fire alarm systems, and the very latest office equipment reflect modern efficiency.*

*New industries insist on modern, safe banking, conveniently located. The First National Bank of Fryburg, Pa. typifies the new look. Served by Central Electric Cooperative, it has electric air conditioning and vault heaters.*





## WATER: NUMBER ONE RAD REQUIREMENT

*The water system at New Ellenton, South Carolina, provides for 600 families.*

To develop new industry, an area must first have plenty of fresh water and adequate fire protection, which, of course, depends on water. So far, lack of pure water and pressure water systems have been the most serious obstacles to local rural area development. How to remedy this situation has been the No. 1 question put to RAD leaders.

A number of agencies, including REA, are looking for answers. Several individual requests for help have come

in from communities served by REA borrowers, and REA staffers have given direct assistance by going into these communities to help organize water cooperatives.

An area does not have to organize a co-op to get RAD help, however. On request, RAD technicians will go to any community and work with local people to develop a water system. They will arrange meetings to acquaint the citizens with the problem. They will make suggestions for raising local

*Fayette-Union Electric Co-op supplies power for the pumping station of the water system at Liberty, Indiana, which includes three 37½-kva transformers.*





equity capital and other types of financing. They will help with organization meetings and with signing up consumers. They will seek credit sources for converting old systems or establishing new ones. When the Farmers Home Administration or the Community Facilities Administration become involved, REA people will work closely with these agencies until the project is completed.

In designated areas, ARA loans or grants may be available for water systems. It is significant that the first Area Redevelopment Administration loan and grant went for such a purpose.

Some REA borrowers have already helped their towns to solve their water problems. For example, The Fayette-Union County Rural Electric Membership Corporation built a three-phase power line to serve pumps for a new water system that replaced an outmoded network of mains and lines at Liberty, Indiana. Two 40-hp turbine

pumps deliver 400 gallons of water a minute from the pumping station into town, through 8-inch pipe.

The service department of Southeast Colorado Power Association wired the electric controls on several of the 11 water systems it serves. One of these systems, the Eureka Water Works, dispenses about 800,000 gallons of water a month to more than 100 families.

Owen County Rural Electric Cooperative Corporation serves the Bullock Penn Water District at Crittenden, Kentucky. Bullock Penn, which took 4 years to build, consists of 24 miles of water lines serving more than 350 consumers. And the New Aiken Electric Cooperative serves a water system in New Ellenton, North Carolina, which provides water for 600 families. This system, with 3 electric motors, has a reservoir with a capacity of 100,000 gallons and it can deliver 650 gallons a minute. Further, a standby reservoir stores 35,000 additional gallons. The system delivers about 3.5

*Clifton Shepard, Lowell volunteer fireman, receives fire call and pushes button to set off the siren mounted on roof of schoolhouse in the center of town.*





million gallons a month through 13,000 feet of 6-inch water main and 325 feet of 8-inch pipe.

RAD will also provide technical advice and other assistance for local fire departments. It will help organize the people into a fire district, then help them raise equity capital, and finally help them locate credit sources. One of the agencies that will be considered as a credit source will be the Community Facilities Administration.

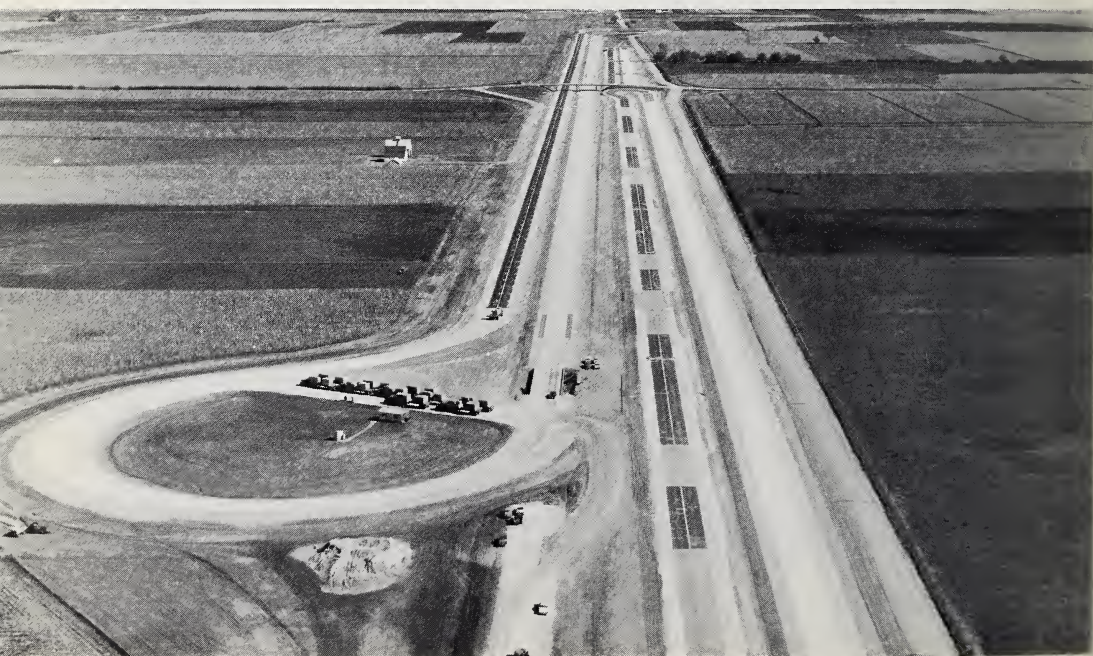
REA borrowers are also active in local fire departments. At Rockwell, Iowa, the Rockwell Telephone Association has speeded up the process of getting fire fighters to fires. The telephone co-op has hooked up a special telephone system for the town's volunteer fire department. With this system,

only one man need remain on duty around the clock. When a fire call comes in to the man on duty, he calls a secret number, which rings, simultaneously, the phones of 11 volunteers. The Rockwell Community Fire Service has two modern hook and ladder trucks, and a 1,000-gallon tank truck for fighting farm fires where water is not readily available.

Vermont Electric Cooperative serves the fire station and alarm system of the volunteer fire department at Lowell, Vermont. The alarm system consists of a siren mounted on the roof of the school building in the center of town, and two warning centers—from which the alarm may be set off—located in the homes of members.

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*Probably one of the most unusual loads in the Nation is the 8-mile-long test road served by Illinois Valley Electric Cooperative, which supplies power for the electronic measuring and recording devices embedded in the pavements (every known road building material is represented), for the administration building, and for the garage that maintains the trucks that are driven over the road constantly by a team of 400 men. The road is sponsored by the American Association of State Highway Officials, administered by the Highway Research Board of the National Academy of Sciences, and supported by the States, the Federal Government, and industry. Results of the tests are expected to influence highway design and construction throughout the world.*



# POWER FOR THE CHURCHES

One of the surprises of the early days of rural electrification was that church attendance promptly increased after electric lights were installed. Several ministers speculated that the older members of the congregation hadn't been able to read their hymnals before.

Today, rural clergymen are among the most enthusiastic users of electricity and modern telephone service. The Crow Wing Cooperative Light and Power Co., at Brainerd, Minnesota, has no fewer than 34 places of worship on its lines, including a Church of the Open Air, which holds services in a drive-in theater on a main highway. The car speakers convey the sermon to each worshipper.

Many of the newer churches are all-electric. The new 4,500 square foot Bell Center Church, in northwestern Indiana, was built in 1957 by 50 member-volunteers, working under the supervision of two carpenters and one electrical contractor. The power use advisor of the White County Rural Electric Membership Corporation advised the volunteers on heat, wiring, and lighting. Besides electric heat and lights, the church has a security yard light and an electric water heater. Last year, it used 33,650 kwh of electricity.

The church's insulation was put to a severe test last spring when an ice storm knocked the current out for 30 hours. Although the outdoor temperature fell to 2° below zero, the temperature inside the church got no lower than 57°.



*All-electric church in South Dakota has electrically operated bells in tower.*

In another part of Indiana, 78 members recently moved into the new Peter's Switch Church, which had been in the planning and building stage since 1953. The building has a 100-amp service, which is considered adequate for future as well as present needs. All wiring is thinwall conduit. The sanctuary is lighted with six 300-watt hanging fixtures, and matching ceiling pieces are placed in halls and other small areas. Personnel of Jackson County Rural Electric Membership Corporation advised the electrician on the wiring and lighting layout.

Co-op personnel also were helpful when one of Minnesota's oldest churches became the first in the State to install complete electric heating, water heating, and cooking facilities. The assistant manager and power use advisor of Federated Rural Electric Association, at Jackson, met with church building committee members and helped them investigate the feasibility



of electric heat. The installation consisted of 70 electric heating units—46 radiant glass panels and 24 fan type units—with a total of 123 kilowatts of electric heat. A 3-phase 400-amp service and entrance is served by three 37½ kva transformers. When the church was completed, members held an open house to demonstrate their newly installed electric products. They served a luncheon prepared in the all-electric kitchen, which features built-in ranges and twin eye-level ovens.

An electric kitchen is an important feature of a rural church at Eden, Vermont. The ladies of this church serve a country-style dinner to the parishioners each Tuesday. The dinner is cooked on the electric range installed by the Vermont Electric Cooperative at the reduced rate which the co-op offers to all community organizations.

At the Pleasant Grove Church in Mississippi, on the other hand, all of the electric appliances for the new church were donated by the members and local business firms. Dixie Electric Power Association at Jackson serves this elegant yet simple church, which has a slender steeple with a light at its summit.

Ministers praise electric heating because of the ease with which it can be controlled. The Reverend Martin Can-

non, pastor of a church at Blaney, South Carolina, served by Fairfield Electric Cooperative, "enjoys" firing the furnace since the church members installed automatic radiant heat. The new "furnace" is a control panel located just off the handsome new sanctuary. Reverend Cannon in his vestments, can set the temperature controls then step into the pulpit without so much as dusting off his hands. He expects the electric heating to cut down colds among his congregation, too, because of the uniformity of temperature and the absence of drafts.

Temperature control was one of the reasons the members of the congregation of the Maple Grove Church near Syracuse, Nebraska, also chose electric heating for their new building. To keep their minister from getting chilly, they installed a heat panel behind the pulpit. Another reason for their selection was the safety of electric heating and, of course, the elimination of furnace firing. They also saved a good deal of money because with electric heating, they did not need a basement, a chimney, or ducts and blowers. A time switch turns the heat on several hours before even the earliest worshipper is due to arrive at the church. Eastern Nebraska Public Power District, which serves it, designed the heating system.

*During the summer, the Church of the Open Air at Brainerd, Minnesota, holds Sunday services at a drive-in theater. It is served by Crow-Wing electric co-op.*





# 21 questions about RAD

## **Q. What is RAD?**

A. RAD stands for Rural Areas Development. This is a program established by Secretary of Agriculture Orville L. Freeman to help *any* rural community that wants help to create more local employment and to make more productive use of its agricultural and natural resources. It is an across-the-board program.

## **Q. All right. What is ARA?**

A. ARA stands for the new Area Redevelopment Administration in the Department of Commerce. It was set up this year to administer the Area Redevelopment Act, Public Law 87-27, which was signed by President Kennedy on May 1. William Batt is Administrator of ARA. Under this Act, \$100 million is earmarked for Federal loans to help finance industrial land sites and buildings in designated rural areas. Other provisions, applying to both rural and urban areas, include \$175 million for loans and grants for public facilities, \$4.5 million for technical aid, and \$14.5 million for retraining unemployed and underemployed workers. Already 487 rural counties have been designated by Mr. Batt's office as eligible for assistance under the Act.

## **Q. Do I understand that RAD and ARA are two different programs?**

A. As far as the Department of Agriculture is concerned, the ARA

program provides valuable financing, technical assistance, and retraining tools for helping to create jobs in rural areas of greatest need. USDA is going to utilize the ARA tools, as well as the technical and financial assistance available from other Government agencies, to help rural people create greater economic opportunity.

## **Q. The people in our service area need a lot more jobs. How do we get started with a RAD program?**

A. Work with your county extension agent in calling an organizational meeting of the community leaders in your area. Make certain it has broad representation, including, for example, farm organization representatives, labor, newspaper editors, bankers, clergymen, merchants, and school principals. Do not overlook spokesmen for any existing town or county development committees and USDA representatives in the area. At this meeting, you should develop plans for creating an Area RAD Committee, representing a whole marketing area, to work out an economic development program that will benefit your community. Then your group may want to call a mass meeting to enlist widespread support for the undertaking. Your county agents will help to fit your county and area plan into the State RAD organization.

**Q. What is the State RAD Committee and who serves on it?**

A. The State RAD Committee is comprised of outstanding community leaders and State officials. It will be concerned with formulating overall objectives for lifting the economy of rural areas within the State and for offering advice and assistance to Local RAD Committees. The State Committee, in turn, relies on a State Technical Advisory Panel, comprised of Federal employees assigned to each State, for specific technical assistance. An REA field representative already has been assigned to Panels in most States.

**Q. How big should our Local Committee be?**

A. As a general rule, big enough to be representative of all interested groups, but not large enough to become ineffective. You will need more Indians than Chiefs. Successful RAD committees have set up small subcommittees, or working groups, to gather information on various aspects of the local economy. Typical working groups are assigned to Agriculture, Business and Industry; Labor; Community and Public Facilities; Housing; Education and Training; Transportation. Each working group is responsible for making an inventory of the resources in its field and for investigating any special problems in its area. It makes its report to the Committee in about 30 days, and the Committee incorporates all the reports into an Overall Economic Development Program.

**Q. We do not have an economist to help us. How do we go about putting together this Overall Economic Development Program?**

A. You don't have to be an economist to prepare an OEDP. It is simply a written presentation describing the

resources of your marketing area, your problems, and your plans for improving economic conditions in the area. It's the facts that count. Your local Farmers Home Administration county supervisor has received instructions for putting an OEDP together, and your local committee should turn to him for technical assistance.

**Q. If we are in a designated rural area, what do we do with our OEDP when we finish it?**

A. As an OEDP is prepared and ready for submission by an area, it should be reviewed by the executive committee or authorized subcommittee of the State RAD Committee, in consultation with the chairman of the State technical panel and forwarded to the State development agency. The actions of the State committee and the chairman of the technical panel should be made part of the OEDP as it is forwarded. A copy of these actions will be forwarded to the Federal Extension Service through the State Director of Extension. The State agency, if it approves the OEDP, will then forward it to the Area Redevelopment Administration in Washington. The Secretary of Agriculture must certify the OEDP prior to ARA approval and is relying on the Farmers Home Administration for recommendations on certification so time is saved later by following the above procedure in the State.

**Q. Should we have an OEDP if we are not in a designated area?**

A. Yes. This will enable you to take a better look at your resources, your problems, and the possible solutions. While ARA loans will not be available, the full resources of the Department of Agriculture and various State agencies will be available to assist in carrying out OEDP. You will want to begin work right away—but you may want

to send copies of the OEDP to your State RAD committee, your Governor, and any Federal Government agency which you think might be of help.

**Q. In what way will the U.S. Department of Agriculture help our local committee?**

A. The Federal Extension Service, through State Directors and county agents, will help local groups with organization problems. FHA will help with the OEDP. REA is responsible

Mr. Richard Hausler, Director, RAD Staff, REA, Washington 25, D. C. After you have completed an OEDP, REA will help you with project development at every step of the way. REA would like to see a copy of your OEDP, by the way.

**Q. Now we're getting down to business. What do you mean by "project?"**

A. We mean your specific community needs—a water system; a sewage



*Locating industries look for adequate housing for workers. Under its new lending authority, FHA can make loans to build and remodel rural nonfarm housing.*

for project development. We want to emphasize that USDA offers these services to all rural areas that want to help themselves—whether they are eligible for assistance under the Area Redevelopment Act or not. The ARA is but one source of financial aid; there are many others.

**Q. How can we get REA to help us?**

A. You should get in touch with your REA field representative or write

disposal plant; an agricultural marketing co-op; a hospital; a more productive form of agriculture; a feed or fertilizer processing plant; a machine shop, or a motel for a resort area. Your projects are your answers to local problems of unemployment and underemployment. Concentrate on first things first. Like many rural areas, you may find that you lack certain community facilities, such as an adequate water system. You may be short of modern housing. You have to de-



velop these things before you can hope to create new industry.

**Q. Exactly how can REA help with projects like these?**

A. REA will help you to determine the feasibility of your projects. We will help you to get the technical information you need. Then REA will help you to locate an appropriate source of credit, such as FHA and the Community Facilities Administration for water systems, FHA for housing loans, the Small Business Administration for business loans. Many sources of help are available, both on the State and Federal level, and REA will put you in touch with the people and agencies best equipped to help you. You might think of REA as a partner "who knows his way around Washington."

**Q. Will REA itself offer any special financial assistance?**

A. Under Section 5 of the Rural Electrification Act, REA may approve loans, through its electric borrowers, to finance purchases of electrical equipment, including machinery, for industrial, commercial, and agricultural purposes. REA will consider making such loans, however, only when no other source of credit is available to the applicant on reasonable terms.

**Q. Does REA have any special role to play under the new Area Redevelopment Act?**

A. Yes. While the Commerce Department is responsible for administering the Act and giving final approval to loans and grants for industrial land and buildings, it has delegated certain functions under rural portions of the Act to the Department of Agriculture. The Secretary of Agriculture is rely-

ing upon REA for recommendations on his certification—or refusal to certify—these loan applications. His certification is necessary before the loans can be made. In addition, the role that REA will play is similar to that it plays in any rural area—helping local people develop successful projects and finding credit sources to finance them.

**Q. If our area has been designated as eligible for ARA help, and our OEDP has been approved, can we get 100 percent financing, as we did for our electric and telephone systems from REA?**

A. No. In fact, whether you have been designated or not, you should count on obtaining some local financing for any sort of local project before you ask a Government agency for help. The source may be banks, bond or stock sales, or contributions. You should try to raise all the money you can at home.

**Q. What is REA's idea of a good project?**

A. It is hard to think of a better project than a homegrown industry which involves the processing and marketing of locally-produced agricultural and timber products. Projects like these keep more local dollars in local hands.

**Q. What do we do with our application for an ARA loan or grant from one of the designated rural areas?**

A. Under the law, the application must be approved by the designee of the Governor of your State before it can be forwarded to ARA. The working relationship between the Governor's designee, the State RAD committee, and the USDA Technical Panel varies from State to State. If you are

unfamiliar with the way these bodies are cooperating on applications, you will want to make certain all three know about your application and that, if possible, the State Extension Director and State FHA Director get a look at the application or a copy of it. Since REA must eventually recommend to the Secretary of Agriculture the certification of the application before ARA takes action, *you will save time if you send a copy of your application directly to REA at the time you send it to the State.* That will give the REA RAD staff time to study it while the original is being processed in the State and being forwarded to REA through ARA.

**Q. Should we organize our projects as cooperatives?**

A. Whether your local industrial development group should be organized as a co-op, or whether any specific project should be organized as a co-op, depends on your local situation and needs. Certainly the representatives of REA-financed cooperatives know the advantages of widespread participation and ownership which a co-op offers, and they have a responsibility for placing the matter of co-op or-

ganization before the local committee for discussion.

**Q. Does REA foresee any pitfalls that local committees should try to avoid?**

A. Yes. One is the danger of pirating an industry away from one area. The Government will have no part of any such game of musical chairs. Obviously, it does nothing to lift the national economy when an industry is merely transplanted. Committees also should avoid the pitfall of eternal planning. Local groups should move right ahead on project development. At the same time, they should remember that successful projects must be competitive. They must meet the challenge of the marketplace.

**Q. We're beginning to get the idea. RAD is going to be what we make it—locally.**

A. Right. The Federal Government can't think up a new business for your area. That's your job. What the USDA can do is to help you turn your ideas into successful new enterprise. We can help you over the rough spots in the road, but you have to start the car yourself.

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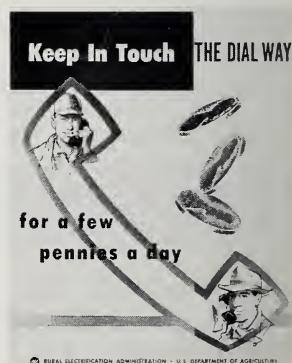
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